THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Order have been placed on M|s. Birmingham Mint Products Ltd. U.K. for import of 500 million pieces of Re. 1 coins as part of Government's decision to import 2000 million pieces of coins.

(b) There is a gap between demand and supply of coins. Government have taken several steps to increase production in the existing 3 Mints at Bombay, Calcutta and Hyderabad. As a result of these steps, production has substantially increased from 525.17 million pieces in 1981-82 to 1355.69 million pieces in 1984-85. Target for 1985-86 has been fixed at 2000 million pieces as against the RBI's demand of 2600 million pieces during the year. However, due to capacity constraints, it is not possible to increase production in the existing mints. A Second Shift has been introduced in the Calcutta Mint with effect from 25-2-1985. As a long term measure, Government have decided to set-up a new Mint at NOIDA and steps are being taken to implement this decision. To meet the immediate shortage of coins, it has been decided to import 2000 million pieces of coins.

Reconcilling of Unreconciled amount in the State Bank of India

100. SHRI AMARPROSAD CHAKRABORTY :

SHRI S. W. DHABE :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there is a time-limit for reconciling the unreconciled amount in the State Bank of India;

(b) if so, whether the said time-limit is being followed by the State Bank of India management; and

(c) if not, what steps Government have taken to protect the interest of the depositors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) The State Bank of India has reported that although there is no time-limit for reconciliation of inter-branch transactions, its endeavour has been to reduce time lag to the minimum. As at the end of May 1985, the bank had reconciled 98.5 per cent of the entries. Efforts are being made to improve the position further. The progress in reconciliation is monitored by the top management.

Balancing of different categories of books, which also has a bearing on depositors' interests, is done in State Bank of India according to a calendar of balancing. Broadly speaking, these schedules are being observed by the branches. Wherever there are arrears, special efforts are made to secure concentrated attention and efforts to eradicate them. As at the end of 30-6-1985, the bank had some unreconciled accounts at 495 out of its 7200 branches. Every effort is being made to reconcile these by December, 1985.

Rise in the price Index

101. SHRI SYED AHMAD HASHMI : Will the Minister of FINANCE be pleased to state:

(a) what is the extent of rise in the price index of wholesale consumer articles during the month of May, 1985 as compared to that of May 1984; and

(b) what steps Government have taken to contain the process so as to check the inflationary trend?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Variations in wholesale price indices of selected consu-

mer articles during May 1985 and May 1984 are given in the following statement:

	Per cent Variations* May	
	1985	1984
All Commodities	0.5	1.6
Cereals	1.6	0.1
Pulses	0.1	8.4
Fruits & Vegetables	7.0	7.7
Milk & milk products	—0.1	0.1
Eggs, fish & meat	4.4	4.4
Condiments & Spices	2.0	—1.2
Tea	—6.0	—1.4
Sugar, Khandsari & Gur	3.5	6.6
Edible Oils	—1.8	1.1
Drugs & medicines	No change	0.1
Soap	No change	No change
Cotton textiles	0.1	—0.2
Matches	No change	No change

*Last week of May over last wetk of April.

(b) The thrust of Government's anti-inflationary policy continues to be on effective demand and supply management including strengthening of public distribution system, enforcement of fiscal discipline and keeping the aggregate liquidity in the system under control. The Central Government has advised the State Governments to take strict action against traders indulging in profiteering, hoarding and black-marketing.

News-item captioned 'India's balance of Payment Position Alarming'

102. SHRI PARVATHANENI UPENDRA : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to a news-item captioned 'India's balance of payments position alarming' which appeared in the *Statesman* on the 31st May, 1985;

(b) whether it is a fact that but for the IMF loan and non-resident deposits, the country would not be having any foreign currency reserves; and

(c) if so, what are the details of measures being taken by Government to encourage exports and also encourage non-resident deposits to build up the foreign exchange reserves?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANADRHAN POOJARI): (a) Yes, Sir.

(b) and (c) Movements in foreign exchange reserves are the net result of all the external economic transactions of a country, including imports and exports, as such it would not be correct to identify these movements with any specific component. The Government has been making concerted efforts to ensure that the country's balance of payments position remains sound. The Central Government Budget for 1985-86 and the Import and Export Policy, covering a period of three years ending March 1988, contain various measures designed to promote exports and achieve import substitution. Regarding non-resident deposits, the unchanged interest rates offered in an environment of declining interest rates on deposits in the international market act as an added incentive for higher inflows into these accounts.

Jute production and price

103. SHRI SURAJ PRASAD :
SHRI INDRADEEP SINHA :

Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether it is a fact that there is going to be a bumper jute crop during the current year;

(b) whether it is also a fact that jute price has declined;

(c) whether it is also a fact that the Government of West Bengal and Bihar have drawn the attention of the Central Government regarding the decline in the price of jute; and